

Message Text

CONFIDENTIAL

PAGE 01 SEOUL 01960 100633Z
ACTION EA-06

INFO OCT-01 SS-14 ISO-00 XMB-01 EB-04 TRSE-00 NSCE-00
SSO-00 INR-05 INRE-00 H-01 OMB-01 SP-02 L-01
DOE-11 SOE-02 DOEE-00 EUR-08 ACDA-10 CIAE-00
DODE-00 IO-06 OES-02 PA-01 /076 W
-----049519 100645Z /15
O 100613Z MAR 78
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC IMMEDIATE 9777

C O N F I D E N T I A L SEOUL 1960

LIMDIS

DEPT. PASS EXIM BANK FOR PRESIDENT MOORE

E.O. 11652: GDS
TAGS: ENRG, ETRD, EFIN, KS, US
SUBJECT: KORI 3 AND 4: CONVERSATION WITH DEPUTY PRIME MINISTER
NAM

1. DURING SMALL DINNER LAST EVENING HOSTED BY DPM NAM
FOR FORMER TREASURY SECRETARY KENNEDY, NAM HIT ME VERY HARD
ON SENATOR STEVENSON'S EFFORTS TO HOLD UP EXPORT-IMPORT
BANK LOAN FOR KORI 3 AND 4. AT VARIOUS POINTS NAM WAS
JOINED IN BY MINISTER OF ENERGY CHANG AND BLUE HOUSE SPECIAL
ASSISTANT FOR ECONOMIC AFFAIRS SHIN. IN FACT, OUR CONVERSATION
WAS MONOPOLIZED BY THIS SUBJECT.

2. MOST UNCHARACTERISTICALLY, NAM WAS HIGHLY AGITATED ABOUT
THREATS TO HOLD UP EXPORT-IMPORT BANK LOAN, STATING THAT
ROKG COULD NOT BEAR WITH DELAY IN LAUNCHING KORI 3 AND 4
AND MIXING OF POLITICAL FACTORS WITH THIS LOAN. HE SAID
FRENCH PARTICULARLY AND GERMANS ARE ALREADY MOVING IN
QUICKLY IN EFFORT TO GET CONTRACT. FRENCH AMBASSADOR
MADE MAJOR APPROACH TO MINISTER OF ENERGY CHANG ON BEHALF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SEOUL 01960 100633Z

OF FRAMATONE EARLIER THIS WEEK.

3. NAM AND THE OTHERS MADE ABSOLUTELY CLEAR THAT THEY
FAR PREFER GOING THE AMERICAN ROUTE ON NUCLEAR POWER
PLANS. THE WESTINGHOUSE BID WAS THE LOWEST, AS WELL AS
THE BEST FROM THE VIEWPOINT OF TECHNOLOGY, EXPERIENCE AND
THE PROSPECTS FOR INCREASED LOCALIZATION. NEVERTHELESS,

IF THE EXPORT-IMPORT BANK LOAN FOR KORI 3 AND 4 GOT TIED
UP BY POLITICAL CONSIDERATIONS, ROKG WOULD HAVE NO CHOICE
BUT TO LOOK ELSEWHERE.

4. I MADE CONCERTED EFFORT TO CALM NAM DOWN, POINTING OUT AMONG
OTHER FACTORS THAT LOAN HAS ACTUALLY NOT BEEN SUBMITTED AS YET TO CON

-
GRESS, THAT THERE WILL BE OTHER VOICES TO BE HEARD IN CONGRESS
BESIDES SENATOR STEVENSON'S AND THAT THERE WAS FULL RECOGNITION
WITHIN THE ADMINISTRATION OF THE BROADER STAKES
INVOLVED. AT THE SAME TIME, I WARNED HIM AGAINST IDLE
THREATS ABOUT TURNING ELSEWHERE AND URGED PATIENCE AT
THIS STAGE FOR THE KOREANS.

5. AS WE DISCUSSED ISSUE FURTHER, NAM'S CONCERN CENTERS
ON TWO KEY FACTORS. FIRST, HE FEARS THAT A DELAY OF A
NUMBER OF MONTHS WILL INCREASE THE COST OF THE PLANT, WOULD DELAY
ENERGY PROGRAM AND WOULD PLACE ADDITIONAL PROBLEMS ON ROKG WITH RESPECT

TO CONTRACTING FOR KORI 5 AND 6 WHERE BIDDING IS SCHEDULED
THIS FALL. ON THE OTHER HAND, A DELAY OF TWO TO THREE
MONTHS AT MOST WOULD BE ACCEPTABLE IF NECESSARY. SECONDLY,
NAM FEARS EVEN MORE POLITICAL CRITICISM FROM THE
PRESIDENT AND OTHERS FOR GETTING KOREA UNNECESSARILY
INVOLVED IN ANOTHER MAJOR POLITICAL PROBLEM WITH THE
US, RATHER THAN CHOOSING THE EASIER ROUTE OF ACCEPTING
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SEOUL 01960 100633Z

THE FRENCH BID. HE MENTIONED THIS LATTER POINT TO ME
PRIVATELY, BUT IT OBVIOUSLY PREYS ON HIS MIND.

6. I THINK THAT I HAVE EASED SOME OF NAM'S IMMEDIATE
AGITATION. THE DEPARTMENT'S STATEMENT (STATE 061079)
WHICH I SENT IMMEDIATELY TO NAM SHOULD ALSO BE HELPFUL.
NEVERTHELESS INORDINATE DELAYS IN THE APPROVAL OF
EXPORT-IMPORT BANK FINANCING WILL CLEARLY BE VERY COSTLY
HERE NOT ONLY IN TERMS OF KORI 3 AND 4 BUT OUR LONGER
TERM PROSPECTS IN THE NUCLEAR ENERGY FIELD. THE FRENCH
AND THE GERMANS ARE BEHAVING LIKE VULTURES, NOT EVEN
WAITING FOR THE BODY TO BECOME COOL BEFORE SWOOPING DOWN.
I FIND IT DIFFICULT TO ACCEPT SUCH BEHAVIOR ON THE PART
OF ACKNOWLEDGED ALLIES, I WOULD STRONGLY RECOMMEND
IMMEDIATE APPROACHES TO BOTH PARIS AND BONN, URGING
THEM TO WAIT UNTIL AT LEAST IT IS CLEAR THAT APPROVAL OF
EXIM BANK LOAN IS INDEED VERY DIFFICULT TO ACCOMPLISH.

7. I WILL OF COURSE CONTINUE MY EFFORTS TO CALM NAM
AND OTHERS BUT WOULD APPRECIATE ANY FURTHER AMMUNITION
WASHINGTON CAN PROVIDE.
SNEIDER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 mar 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SEOUL01960
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780107-0763
Format: TEL
From: SEOUL
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780382/aaaacrgw.tel
Line Count: 116
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b29cacc9-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 13 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3371801
Secure: OPEN
Status: NATIVE
Subject: KORI 3 AND 4: CONVERSATION WITH DEPUTY PRIME MINISTER NAM
TAGS: ENRG, ETRD, EFIN, KS, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/b29cacc9-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014